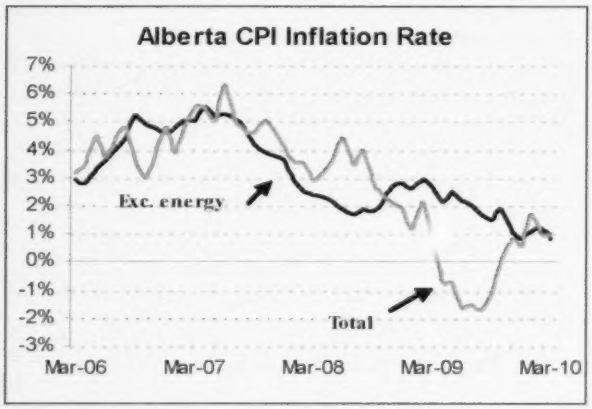
Consumer Price Index

Inflation remains subdued…

Alberta's year-over-year CPI rate was 1.0% for the second consecutive month in March. Gasoline prices, which were 10.7% higher than a year earlier, were the major category driving the increase. Excluding energy, Alberta's CPI was just 0.8% in March, suggesting that inflationry pressures remain subdued.

Nationally, Canadian CPI was 1.4%, while the Bank of Canada's (BoC) year-over-year core CPI index increased by 1.7% in March, after a 2.1% increase in February. This softening of core CPI will likely reduce pressure on the BoC to raise interest rates at its next meeting as core CPI continues to remain below its 2.0% target rate.



Retail Sales

Sales continue to see steady growth…

Retail sales in Alberta increased for the sixth consecutive month in February, up 1.0% from January to just over $4.9 billion (seasonally adjusted) reflecting strong sales at new car dealers. This level is 5.9% higher than February 2009 when retail sales in Alberta reached their recession low. Nationally, retail sales were 0.5% higher from the previous month with all provinces seeing growth except Saskatchewan where retail sales were flat.

Employment Insurance

Number of EI recipients declines in February …

The number of Albertans receiving regular Employment Insurance (EI) benefits declined (2.9%) in February to 57,240. With the province's labour market remaining fragile in the first quarter of 2010, some of the decline in the number of EI recipients may be the result of workers exhausting benefits rather than returning to the labour force. While the number of EI beneficiaries has declined from its peak of 73,120 in October 2009, the February 2010 level was still 67.5% higher from the same month a year earlier.

↑	**Canadian Dollar (US¢/C$)**	
	April 23, 2010	99.73
	April 16, 2010	98.54
	2010-11 YTD	99.64
↓	**WTI Oil US$/bbl**	
	April 22, 2010	$ 83.70
	April 15, 2010	$ 85.51
	2010-11 YTD	$ 84.65
↑	**Nymex Natural Gas C$/MMBtu***	
	Near-month Contract	
	April 23, 2010	$ 4.15
	April 16, 2010	$ 4.03

*Estimate based on Nymex Futures Market Price

Wholesale Trade

Fourth consecutive monthly increase…

In February, wholesale trade in Alberta registered its fourth consecutively monthly increase, growing by 2.8% to just over $4.8 billions (seasonally adjusted). Since the level of wholesale sales reached its recession low in October 2009, it has gradually recovered and wholesale sales are approaching the five-year monthly sales average of just under $5.0 billion. Canadian wholesale trade was down 1.2% with sales declines in Ontario, Quebec and British Columbia accounting for most of the decrease.

International C$ Securities Transactions

Canada continues to attract foreign investment…

Non-residents continued to add to their holdings of Canadian securities, picking up an additional $6.7 billion in February. With investors continuing to seek low-risk investments the inflow was wholly devoted to purchasing bonds, with federal government debt accounting for half of the total purchases.

Monetary Policy

BoC deletes conditional interest rate commitment…

As was expected, the Bank of Canada (BoC) held its overnight rate steady at 0.25% in its meeting this week. However, the BoC deleted from its statements a commitment to maintain interest rates at historically low levels until the end of the second quarter 2010. Markets interpreted this as a signal that interest rates may rise as early as June and pushed the Canadian dollar back above parity with the US dollar. The BoC also increased it's forecast for Canadian GDP growth in 2010 this week to 3.7% from 2.9%.

Current Economic Indicators

	2008	2009	2010YTD*	Oct	Nov	Dec	Jan	Feb	Mar
Population									
Population[1] (000's) (level)	3,596	3,688	3,708	3,704	--	--	3,712	--	--
% change	2.4	2.6	2.1	2.3	--	--	1.9	--	--
Net Interprovincial Migraton[1] (level)	15,317	23,006	-5,315	-2,535	--	--	-2,780	--	--
Net International Migration[1] (level)	20,039	20,074	12,696	7,976	--	--	4,720	--	--
Net Non-permanent Residents[1] (level)	18,536	19,058	1,014	2,439	--	--	-1,425	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,977	1,975	1,988	1,995	1,988	1,973	1,969
% change	2.8	-1.3	-1.2	-3.4	-2.3	-1.0	-1.6	-1.0	-1.0
Unemployment Rate (%)	3.6	6.6	7.0	7.2	7.1	6.6	6.6	6.9	7.5
Participation Rate (%)	74.7	74.3	73.2	73.7	74.0	73.8	73.4	73.0	73.2
Average Weekly Earnings ($)	923.21	950.13	965.09	949.74	962.54	949.32	965.09	--	--
% change	6.0	2.9	1.8	2.0	0.9	0.2	1.8	--	--
Price Indices									
Consumer Price Index	3.1	-0.1	1.2	0.1	0.8	0.6	1.7	1.0	1.0
NEW! Excluding food and energy	2.1	1.4	1.0	1.8	1.0	0.7	1.1	1.3	0.8
Non-Res. Const. Cost Index[2] (quarterly)	13.2	-9.8	--	--	--	-11.2	--	--	--
Farm Product Price Index	11.5	-11.3*	--	-20.2	--	--	--	--	--
Crops	26.7	-22.9*	--	-24.1	--	--	--	--	--
Livestock	2.1	-0.8*	--	-14.0	--	--	--	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	29.1	29.9	30.1	27.6	24.3	28.3	34.6
% change	-39.6	-31.6	116.9	19.6	46.1	54.2	55.8	139.8	170.3
New Housing Price Index	0.7	-9.0	-2.5	-7.9	-7.1	-6.3	-3.6	-1.4	--
Edmonton	1.0	-11.2	-6.3	-10.1	-9.8	-9.4	-6.5	-3.3	--
Calgary	0.6	-6.7	-0.5	-5.6	-4.2	-3.1	-0.6	0.4	--
MLS Average Resale Prices ($ 000's)	351.4	340.5	349.9	359.6	356.4	355.5	344.3	348.2	357.2
% change	-1.5	-3.1	7.3	2.6	3.4	7.5	6.4	5.1	10.3
Edmonton	330.8	319.1	330.0	343.1	335.6	333.4	322.7	327.6	339.8
% change	-2.0	-3.5	4.2	0.4	0.0	2.6	-0.7	2.6	11.0
Calgary	401.1	384.3	392.9	398.3	405.6	400.3	386.4	395.1	397.3
% change	-2.9	-4.2	6.6	2.9	4.4	8.8	5.5	5.2	9.0
NEW! Retail Sales[3]	0.2	-8.3	3.3	-6.4	-6.4	1.9	1.0	5.9	--
New Motor Vehicle Sales	-7.3	-21.7	8.4	-13.3	-21.5	2.7	-4.8	24.0	--
Consumer Bankruptcies	6,066	9,986	684	690	686	634	684	--	--
% change	27.2	64.6	-1.7	9.2	15.3	4.6	-1.7	--	--
Business Sector									
Rigs Drilling	236	128	282	129	152	227	287	339	219
% change	-2.1	-45.6	38.9	-50.9	-35.6	-3.8	9.3	42.3	103.5
Goods Exports (customs based)	34.6	-39.2*	--	-39.6	--	--	--	--	--
Energy	42.5	-44.1*	--	-41.3	--	--	--	--	--
Agriculture	32.0	-7.4*	--	-23.8	--	--	--	--	--
Total Farm Cash Receipts (quarterly)	17.2	-6.7*	--	--	--	--	--	--	--
Manufacturing Shipments	7.0	-21.6	-0.8	-23.6	-12.3	-3.2	-0.4	4.1	--
NEW! Wholesale Trade[4]	9.5	-15.9	-7.8	-25.9	-19.0	-13.7	-12.2	-3.0	--
Building Permits	-16.5	-14.2	50.7	76.9	8.3	57.0	32.1	70.3	--
Residential	-31.5	-11.8	165.8	53.4	50.6	57.1	156.4	174.0	--
Non-residential	3.7	-16.3	-11.7	101.3	-19.7	56.9	-25.9	5.1	--
Business Bankruptcies	447	405	27	33	32	32	27	--	--
% change	-0.4	-9.4	-30.8	-5.7	-28.9	6.7	-30.8	--	--

Government of Alberta ■
Finance and Enterprise

Alberta ■

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

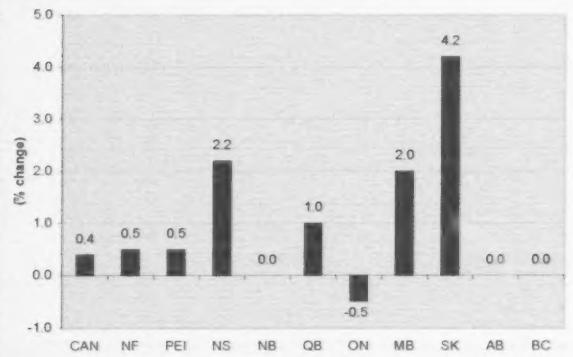
[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

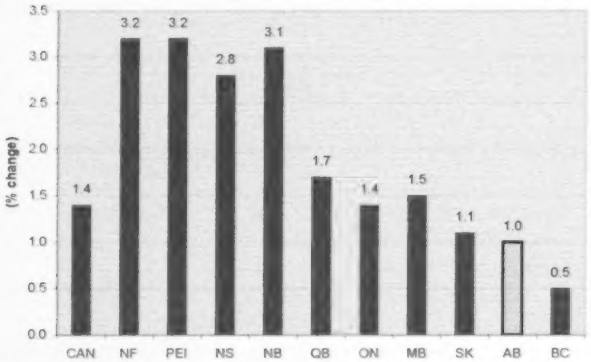
Current Economic Indicators by Province

Real GDP Growth
(2008 year-over-year growth)

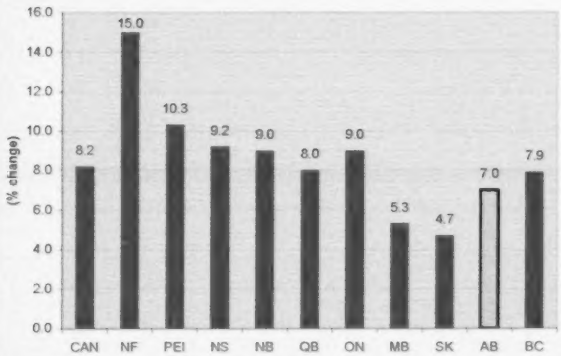


CPI Inflation
(March year-over-year % change)

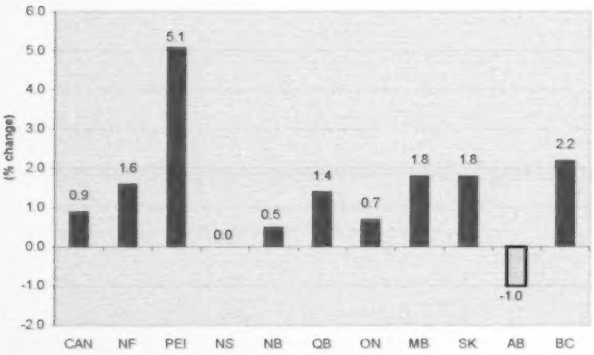
NEW!



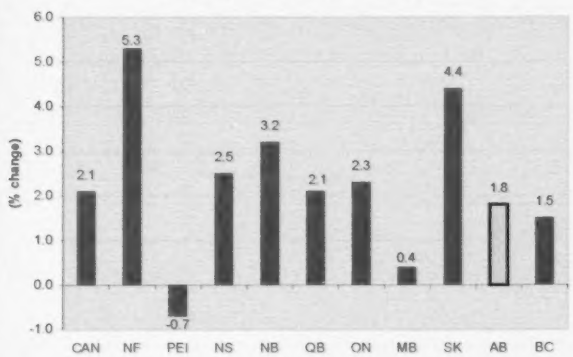
Unemployment Rate
(2010 Average, Seasonally Adjusted)



Employment
(March year-over-year growth)



Average Weekly Earnings
(January year-over-year growth)



Housing Starts
(SAAR March 2010)